

U.S. House and Senate Notification

Tuesday, May 31, 2011

To: Congressional Health Staff

From: Amy Hall

Director, Office of Legislation

Centers for Medicare & Medicaid Services

Re: [REDACTED] HHS to Reduce Premiums, Make it Easier for Americans with Pre-Existing Conditions to Get Health Insurance

The U.S. Department of Health and Human Services (HHS) today announced new steps to reduce premiums and make it easier for Americans to enroll in the Pre-Existing Condition Insurance Plan. Premiums for the Federally-administered Pre-Existing Condition Insurance Plan (PCIP) will drop as much as 40 percent in 18 States, and eligibility standards will be eased in 23 States and the District of Columbia to ensure that more Americans with pre-existing conditions have access to affordable health insurance. The Pre-Existing Condition Insurance Plan was created under the Affordable Care Act and serves as a bridge to 2014 when insurers will no longer be allowed to deny coverage to people with any pre-existing condition, like cancer, diabetes, and asthma.

Under the changes announced today, PCIP premiums will drop as much as 40 percent in 18 States where the Federally-administered PCIP operates. These premium decreases help bring PCIP premiums closer to the rates in each State's individual insurance market; in the six States where PCIP premiums were already well-aligned with State premiums, premiums will remain the same.

To further enhance the program, beginning this fall, HHS will begin paying agents and brokers for successfully connecting eligible people with the PCIP program. HHS is also working with insurers to notify people about the PCIP option in their State when their application for health insurance is denied.

To find a chart showing changes to PCIP premiums in the States with Federally-administered PCIP programs, visit www.HealthCare.gov/news/factsheets/pcip05312011a.html .

For more information, including eligibility, plan benefits and rates, as well as information on how to apply, visit <https://www.pcip.gov/> and click on "Find Your State." Then select your State from a map of the United States or from the drop-down menu. The PCIP Call Center is open from 8 a.m. to 11 p.m. Eastern Time. Call toll-free 1-866-717-5826 (TTY 1-866-561-1604).

A press release regarding the PCIP changes can be found here: <http://www.hhs.gov/news/>

If you have any questions, please contact the CMS Office of Legislation. Thank you.